UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress 1

[Date approved: November 8, 2005]²

| [Bate approved. Two temper 6, 2005] |
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| Bill No. and sponsor: H.R. 2436 (Mr. Tim Murphy of Pennsylvania). |
| Proponent name, location: Bayer MaterialScience LLC, Pittsburgh, PA. |
| Other bills on product (109 th Congress only): S. 1458. |
| Nature of bill: Extension of temporary duty suspension through December 31, 2009. |
| Retroactive effect: None. |
| Suggested article description(s) for enactment (including appropriate HTS subheading(s)): |
| Aqueous dispersions of poly(3,4-ethylenedioxythiophene) poly(styrenesulfonate) (cationic), whether or not containing binder resin and organic solvent (CAS No. 155090-83-8) (provided for in subheading 3911.90.25). |
| Check one: X Same as that in bill as introduced. Different from that in bill as introduced (see Technical comments section). |
| Product information, including uses/applications and source(s) of imports: |
| This product is a preparation used for the electrostatic coating of films and in the production of capacitor |

This product is a preparation used for the electrostatic coating of films and in the production of capacitors and printed circuit boards. The bill includes new language that modifies the chemical description to include preparations with other binders or solvents added for ease of transport (which does not affect the classification). These products are imported from Germany.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

| HTS subheading: <u>3911.90.25</u> | | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|--|--|--|--|
| | 2005 | 2006 | 2007 | 2008 | 2009 | | | | |
| Col. 1-General rate of duty | 6.1% | 6.1% | 6.1% | 6.1% | 6.1% | | | | |
| Estimated value <i>dutiable</i> imports | \$2,600,000 | \$3,800,000 | \$4,500,000 | \$5,000,000 | \$5,400,000 | | | | |
| Customs revenue loss <u>1</u> / | \$158,600 | \$231,800 | \$274,500 | \$305,000 | \$329,400 | | | | |

^{1/} Estimated revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.39.15, which expires December 31, 2006.

Source of estimated dutiable import data: Commission and industry estimates.

Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? | |
|--|-------------------|---|----------------------|-------------------|--|
| | | (Yes/No) | | | |
| Bayer MaterialScience LLC (Proponent) Karen L. Niedermeyer, 412-777-2058 Sandie-Rose Fernandez, 617-630-5985 | 9/13/2005 | No | No | No | |
| BASF Corporation Mr. Greg Thies, 202-558-5100 | 9/16/2005 | No | No | No | |
| Celanese Corporation Mr. Bob Carpenter, 202-637-3469 | 9/16/2005 | No | No | No | |
| Dow Chemical Company Ms. Lisa Schroeter, 202-429-3400 Ms. Jan Neuenfeldt, 989-636-8427 | 9/16/2005 | No | No | No | |
| DuPont Ms. Elaine M. Olsen, 302-992-2263 | 9/16/2005 | No | No | No | |
| Efficient Global Trade, Inc. Mr. Henry P. Stoebenau, 215-628-4919 | 9/18/2005 | No | No | No | |
| LANXESS Corporation Mr. Seth Tomei, 412-809-3664 | 9/13/2005 | No | No | No | |
| Solutia, Inc. Mr. Bob Hurley, 202-289-9800 | 9/16/2005 | No | No | No | |

Technical comments:³ None

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

H. R. 2436

To temporarily suspend the duty on Baytron and Baytron P.

IN THE HOUSE OF REPRESENTATIVES

May 18, 2005

Mr. Murphy introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To temporarily suspend the duty on Baytron and Baytron P.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. BAYTRON AND BAYTRON P.
- 4 (a) In General.—Heading 9902.39.15 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 certain aqueous dispersions) is amended by inserting ",
- 7 whether or not containing binder resin and organic sol-
- 8 vent" immediately before "(CAS No." and by striking
- 9 "12/31/2006" and inserting "12/31/2009".
- 10 (b) Effective Date.—The amendment made by
- 11 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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